

West Devon Special Council



West Devon
Borough
Council

Title:	Summons																																													
Date:	Tuesday, 5th March, 2024																																													
Time:	4.00 pm																																													
Venue:	Chamber - Kilworthy Park																																													
Full Members:	<p style="text-align: center;">Mayor Cllr Daniel Deputy Mayor Cllr Sellis</p> <p><i>Members:</i></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Cllr Ball</td> <td style="width: 33%;">Cllr Leech</td> <td style="width: 33%;"></td> </tr> <tr> <td>Cllr Blackman</td> <td>Cllr Mann</td> <td></td> </tr> <tr> <td>Cllr Bridgewater</td> <td>Cllr Moody</td> <td></td> </tr> <tr> <td>Cllr Calder</td> <td>Cllr Mott</td> <td></td> </tr> <tr> <td>Cllr Casbolt</td> <td>Cllr Oxborough</td> <td></td> </tr> <tr> <td>Cllr Cheadle</td> <td>Cllr Renders</td> <td></td> </tr> <tr> <td>Cllr Cunningham</td> <td>Cllr Saxby</td> <td></td> </tr> <tr> <td>Cllr Dexter</td> <td>Cllr Southcott</td> <td></td> </tr> <tr> <td>Cllr Edmonds</td> <td>Cllr Squire</td> <td></td> </tr> <tr> <td>Cllr Elliott</td> <td>Cllr Vachon</td> <td></td> </tr> <tr> <td>Cllr Ewings</td> <td>Cllr Viney</td> <td></td> </tr> <tr> <td>Cllr Guthrie</td> <td>Cllr Wakeham</td> <td></td> </tr> <tr> <td>Cllr Johnson</td> <td>Cllr Watts</td> <td></td> </tr> <tr> <td>Cllr Jory</td> <td>Cllr West</td> <td></td> </tr> <tr> <td>Cllr Kimber</td> <td></td> <td></td> </tr> </table>	Cllr Ball	Cllr Leech		Cllr Blackman	Cllr Mann		Cllr Bridgewater	Cllr Moody		Cllr Calder	Cllr Mott		Cllr Casbolt	Cllr Oxborough		Cllr Cheadle	Cllr Renders		Cllr Cunningham	Cllr Saxby		Cllr Dexter	Cllr Southcott		Cllr Edmonds	Cllr Squire		Cllr Elliott	Cllr Vachon		Cllr Ewings	Cllr Viney		Cllr Guthrie	Cllr Wakeham		Cllr Johnson	Cllr Watts		Cllr Jory	Cllr West		Cllr Kimber		
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Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.																																													
Committee administrator:	Democratic.Services@swdevon.gov.uk																																													

1. Apologies for Absence

2. Declarations of Interest

In accordance with the Code of Conduct, Members are invited to declare any Disclosable Pecuniary Interests, Other Registerable Interests and Non-Registerable Interests including the nature and extent of such interests they may have in any items to be considered at this meeting;

3. Proposed Devon & Torbay Combined Authority and Devolution Deal

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Report to: **Council**

Date: **5 March 2024**

Title: **Proposed Devon & Torbay Combined County Authority and Devolution Deal**

Portfolio Area: **Councillor Mandy Ewings
Leader of the Council**

Wards Affected: **All**

Author: **Andy Bates** Role: **Chief Executive**
Neil Hawke **Assistant Director Strategy**

Contact: Directors@swdevon.gov.uk

RECOMMENDATIONS:

That Council:

- 1. NOTES the intention of Devon County Council and Torbay Borough Council to enter into a devolution deal with Government and to form a Combined County Authority; and**
- 2. RESPONDS to the consultation in line with the considerations set out in part 3 of the report.**

1. Executive summary

- 1.1 The offer of a devolution deal for Devon and Torbay was announced by the Secretary of State for Levelling Up, Homes and Communities and published by the Department for Levelling Up, Housing and Communities (DLUHC) on 25 January 2024.
- 1.2 The deal was approved for consultation by Devon County Council and Torbay Borough Council by their respective cabinets/executives on 2 February. The consultation went live on 12 February and runs for a period of 6 weeks. Details of the proposed deal are available at www.devontorbaydeal.org.uk

2. Background

- 2.1 In early 2022, Devon, Plymouth and Torbay were selected as one of nine pilot areas in England by Government in the Levelling Up White Paper for "County Deal" negotiations. Plymouth City Council subsequently decided in late 2023 to withdraw from the deal.

- 2.2 The negotiations with the Government have been for a Level 2 Deal which would not require an elected mayor but would devolve powers and funding to a new body called a Combined County Authority (CCA).
- 2.3 The proposed devolution deal is intended to bring new powers and additional funding from the Government to tackle priorities such as public transport, jobs, training and skills. More information on each of the priorities can be found on the consultation website here
<https://www.devontorbaydeal.org.uk/benefits/>
- 2.4 Subject to the outcome of the consultation process, and passage of the parliamentary process, the aim is for the Devon and Torbay CCA to be created during 2024.

3. Considerations for West Devon Borough Council

- 3.1 The Devolution Deal for Devon and Torbay is structured in accordance with the prescribed statutory framework set down within the Levelling Up and Regeneration Act 2023. The proposed deal does not require a change to the organisation of local government in Devon, nor the formal support of District Councils.
- 3.2 In principle devolving powers and funding from central government to local government allowing for decisions to be made at a local level by those elected to represent the area is to be welcomed. Nevertheless, there are a number of specific concerns that we would urge the relevant parties to the deal to consider as part of the implementation process.
- 3.3 In common with the other districts across Devon, we have concerns in a number of specific areas:
 - **Economic Programmes:** While there is no certainty about future rounds of the UK Shared Prosperity Programme, we would expect any future such funding streams to be devolved from the CCA to district level by default. The remaining CCA remit being to broker conversations about strategic commissioning of countywide (generic) business support activity, to maximise the effectiveness of local investment aligned to the economic activity returning to the county council as part of the winding down of the Local Enterprise Partnership (LEP). The LEP failed on both its democratic mandate and had little local relevance. It is important for the CCA to set off firmly on the right foot by committing to retaining local delivery methods for business support where this is currently in place within districts.
 - **Housing Empowerment:** We expect the CCA to enable and accelerate delivery with and through districts and local housing associations. Much is made of the potential for a shared

strategic investment pipeline with Homes England, and while we recognise the potential for shared investment and the need for strategic conversations to deliver this, we would wish to make it clear that districts expect existing housing functions and groupings to be utilised – such as the Devon Housing taskforce which covers the whole of the Devon and Torbay area. The aims of the CCA should be to build on best practice and expertise; to provide a stronger platform and empower the excellent work being done across the Team Devon landscape, not to duplicate or add extra bureaucracy. It is essential the CCA provides the vehicle to deliver on recommendations emerging from the Devon Housing Commission, delivery against which should be a key test of its impact and success.

- **Governance & Voting Rights:** We are disappointed that the government rejected the House of Lords amendment which would have allowed district councils to be constituent members of the CCA with full voting rights reflecting their democratic mandate on behalf of their areas. We intend to lobby a future government to rectify this democratic deficit. In the meantime, we ask that all such opportunities within the legal framework are considered to ensure that districts can have a voice on 'reserved' matters. We fully support the proposal to move 'Team Devon' onto a more robust governance footing by converting this to a statutory joint committee in order to inform the voting intentions wielded at the CCA board.
- **Transport:** We recognise that operational highways matters will remain with DCC and Torbay respectively. However, in the duty to produce a joint strategic transport plan across the CAA geography, we would urge inclusion of district councils in the formulation of this in order to ensure that vital economic and housing plans are aligned to transport plans and that sustainable transport options are embedded – both in terms of strategic intent and future investment.
- **Community:** Our districts and Devon as a whole benefits hugely from the resilient and resourceful communities that make up its towns and villages. Working with and for our communities is a key priority for this Council and we expect that the voice of those communities, organisations and of the towns and parishes which deliver services at a very local level are also heard by the CCA.

4. Proposed next steps

- 4.1 Note that, subject to consultation, Devon County Council and Torbay Council intend to form a Combined County Authority as set out in the Devon Devolution Deal.
- 4.2 Respond to the formal consultation on the CCA.

5. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	There are no Legal/Governance implications for South Hams District Council however this report does highlight potential governance issues that wish the CCA to consider (as set out in Section 3.3)
Financial implications to include reference to value for money	Y	There are no financial implications for the Council as a direct result of the proposals in this report.
Risk	N	The content of the report does not impact the Council's risk profile.
Supporting Corporate Strategy	N	
Consultation & Engagement Strategy	N	
Climate Change - Carbon / Biodiversity Impact	N	
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	
Safeguarding	N	
Community Safety, Crime and Disorder	N	
Health, Safety and Wellbeing	N	
Other implications	N	

Supporting Information

Appendices:

Appendix A – report to Devon CC Cabinet on 2 February 2024

Appendix B – Devon and Torbay Devolution Deal

Proposed Devon & Torbay Combined County Authority and devolution deal Report of the Chief Executive

Please note that the following recommendations are subject to consideration and determination by the Cabinet and confirmation under the provisions of the Council's Constitution before taking effect.

1) Recommendations

It is recommended that the Cabinet:

- (a) Support the proposed Devon & Torbay devolution deal.
- (b) Agree that a public consultation be carried out in conjunction with Torbay Council from 12 February 2024 to 24 March 2024 to invite views on the draft proposal to establish the Devon & Torbay Combined County Authority.

2) Summary

Devon, Plymouth and Torbay was one of nine areas invited by Government, as part of the February 2022 Levelling Up White Paper, to agree a devolution deal. Plymouth City Council decided on 17 November 2023 to withdraw from the negotiations towards a proposed devolution deal.

The proposed devolution deal for Devon and Torbay was announced by the Secretary of State for Levelling Up, Homes and Communities and published by the Department for Levelling Up, Housing and Communities (DLUHC) on 25 January 2024. It is available on the DLUHC website and further information about the proposed deal is at www.devontorbaydeal.org.uk

The powers and the transfer of Government funding included in the proposed devolution deal promise to bring greater control to Devon and Torbay to help tackle local priorities, including the need for: new training and retraining opportunities; improved coordination of public transport; more affordable housing and investment to support local business, green jobs to increase productivity and pay.

Government would devolve the powers and funding to a new legal body established by Parliament that brings the members of the existing local authorities together: the Devon & Torbay Combined County Authority (DT CCA). The members of the DT CCA would include members of Devon County Council and Torbay Council together with district council member representatives and other stakeholders. The statutory requirements for implementing the proposed deal include public consultation on the draft proposal to establish the DT CCA and the Council's consent to the secondary legislation.

It is anticipated that Torbay Council's Cabinet will also meet on 2 February 2024 to consider the proposed deal and the requirement for public consultation on the draft proposal. It is recommended that a public consultation on the draft proposal to establish the DT CCA is undertaken in conjunction with Torbay Council from 12 February 2024 to 24 March 2024. The purpose of the public consultation will be to invite views from partners (including district councils), stakeholders and the public on why the area is seeking to establish the DT CCA, the benefits it would deliver and how it would operate.

3) Background

3.1 Policy background and timeline

In July 2021 the then Prime Minister announced in a speech that new "County Deals" would be negotiated with county areas. The then Secretary of State for Housing, Communities and Local Government wrote to local authority leaders and chief executives explaining that Government would engage with councils over the course of Summer 2021 in advance of the Levelling Up White Paper. In August 2021 Devon, Plymouth and Torbay registered their collective interest in being a pilot area for a "County Deal". In November 2021 there were meetings between officers and officials and also between the Parliamentary Under-Secretary for Levelling Up and Council Leaders.

In February 2022 the Secretary of State announced his decision to enter into negotiations with a view to concluding an "early County Deal" for Devon, Plymouth and Torbay. The Levelling Up White Paper, published at the same time, described opportunities for areas to secure devolved powers, funding, and influence based on a devolution framework (see appendix 1). The framework has three levels of devolution depending on the type of governance model. The powers and funding available range from the highest level 3 to the lowest level 1.

Level 3 areas, which require a Combined Authority to be led by a directly elected Mayor or Leader, will have access to powers such as the ability to consolidate existing core local transport funding into a multi-year integrated settlement, devolution of locally-led brownfield funding, mayoral control of Police and Crime Commissioner (PCC) functions where boundaries align and the ability to introduce a mayoral precept and supplement on business rates. Level 3 areas will also have access to additional funding for certain functions devolved to the Mayor or Leader by Government.

Level 2 areas will have fewer, but still significant, powers including control of appropriate local and public transport functions, the ability to provide input into Local Skills Improvement Plans and Homes England compulsory purchase powers. The proposed Devon and Torbay devolution deal is a level 2 deal. Level 2 areas will also receive some additional funding from Government for certain devolved functions.

Level 1 areas will have access to three core powers: the ability to host Government functions best delivered at a strategic level including more than one authority, the opportunity to pool services at a strategic level, and the opportunity to adopt innovative local proposals to deliver action on climate change.

Since the publication of the Levelling Up White Paper in February 2022 the stages in the development and negotiation of the proposed Devon and Torbay devolution deal were:

- March 2022 – Submission to the Department for Levelling Up, Housing and Communities (DLUHC) by Devon, Plymouth and Torbay Councils of an outline proposal for a non-mayoral level 2 deal.
- March 2023 - Letter from the Minister for Levelling Up to Council Leaders confirming Government's intention to conclude a level 2 deal with Devon, Plymouth and Torbay by the end of 2023.
- July 2023 – Meeting between Leaders and Minister for Levelling Up to discuss progress with the proposed deal.
- August 2023 to October 2023 – Negotiations with Government departments about the terms of the proposed Devon, Plymouth and Torbay devolution deal.
- 26 October 2023 - Levelling Up and Regeneration Act came into effect.
- 17 November 2023 – Plymouth City Council withdrawal from the proposed devolution deal (see section 3.2 below).
- 22 November 2023 – Confirmation, as part of Government's Autumn Statement, of the proposed Level 2 non-mayoral Devon and Torbay devolution deal being at an advanced stage of discussion.
- January 2024 – Announcement and publication of the proposed Devon and Torbay devolution deal by DLUHC.

3.2 Plymouth City Council's withdrawal from the proposed devolution deal

The Minister for Levelling Up wrote to the Leader of Plymouth City Council on 16 November 2023. He explained that in order to agree a deal at Level 2 of the framework it is essential that local transport authority (LTA) functions reside within the CCA. The Government's aim is to establish devolved institutions that can deliver key economic functions including transport, skills and business support across the whole deal area. The Minister explained that while skills and business support functions can be held concurrently with constituent councils, it would not be viable to create two local transport authorities covering the same area. As the LTA, the CCA would take on a strategic coordination role and accountability for associated responsibilities and local public transport powers across the CCA area. All operational responsibility would remain with the constituent councils.

Plymouth City Council had made it clear during the negotiations that it could not, as a point of principle, agree to LTA functions moving to a new CCA. The Minister explained in his letter that whilst he respected Plymouth City Council Leader's reasons, the Government could not accept the City Council's alternative proposals which would risk creating duplication and confusion in the local transport planning system. The Minister confirmed that the Government would seek to agree a devolution deal with Devon and Torbay only.

A statement issued by Plymouth City Council on 17 November 2023 confirmed that it had withdrawn from the proposed devolution deal but remains fully committed to continuing to work closely with its partners across the region on areas such as transport, housing inward investment, jobs, the Plymouth and South Devon Freeport and skills and education.

In responding to Plymouth City Council's statement, the Leaders of Devon County Council and Torbay Council confirmed that they will continue to work in partnership for the collective benefit of communities and businesses across the area. The provisions of the proposed

devolution deal enable Plymouth City Council to apply to join the DT CCA at some point in the future.

3.3 Devolution deals for other areas.

Proposed devolution deals have been developed between government and local authorities elsewhere in England since the publication of the February 2022 Levelling White Paper, including:

- **Suffolk** - In January 2023 Suffolk County Council agreed to carry out a public consultation on the proposed level 3 devolution deal. To enact the deal, the council's governance would need to change to a directly elected leader and cabinet model. The proposed deal envisages a directly elected leader but the Council has delayed the consultation while it seeks final clarification from government.
- **Norfolk** - Norfolk County Council carried out a public consultation on the proposed level 3 deal devolution in Spring 2023. In May 2023 the new county council leader reopened negotiations with the Government to see if the council could secure further benefits. The Council agreed in December 2023 to accept the deal and hold an election in May 2025 for a directly elected leader.
- **East Midlands** (Derby, Derbyshire, Nottingham, and Nottinghamshire) - A public consultation was carried out between November 2022 and January 2023 on a proposed Mayoral Combined County Authority that would be responsible for the powers and funding in the proposed level 3 deal. The CCA will have a directly elected Mayor who will be elected by the voters within the area. The Mayor will be a member of the CCA, as well as having a number of powers and functions which may be exercised exclusively by the Mayor. The East Midlands Mayoral Combined County Authority will have up to 17 members in total, comprising:
 - The directly elected Mayor.
 - Eight elected members: two members from each of the four constituent councils.
 - Four non-constituent members nominated by the District and Borough Councils within the area (with two non-constituent members to be nominated by Derbyshire District and Borough Councils, and two non-constituent members to be nominated by Nottinghamshire District and Borough Councils).
 - Up to four further non-constituent or associate members.

Each of the four councils considered the results of the consultation in March 2023 and, having due regard to the consultation responses and the public sector equality duty, resolved to approve the final proposal and create the East Midlands Combined County Authority for the areas of Derbyshire County, Derby City, Nottinghamshire County and Nottingham City.

Four further proposed devolution deals were announced as part of the Government's 22 November 2023 Autumn Statement, two of which were Level 2 non-mayoral deals for Lancashire and Cornwall.

Cornwall - The proposed devolution deal for Cornwall includes:

- Devolution of Adult Education functions and the core Adult Education Budget, and the opportunity to provide input into Local Skills Improvement Plans.
- £0.5 million of funding to support Cornish distinctiveness.

- Support for Cornwall Council's ambition to create a Cornwall Floating Offshore Wind Commission to minimise the marine ecological impact and maximise job creation.
- Maintenance of the current governance arrangements of a leader and cabinet executive governance model.

Lancashire - The proposed devolution deal for Lancashire, comprises the areas of Lancashire County Council, Blackpool Council, and Blackburn with Darwen Borough Council. The proposed deal includes:

- The formation of the Lancashire Combined County Authority comprising:
 - Four elected members, consisting of a lead member for each constituent council and one further member appointed by Lancashire County Council.
 - Two non-constituent members, who will be nominated by the district and borough councils to represent the interests of district and borough councils on the CCA.
 - Up to two associate or non-constituent members, to be appointed by the CCA.
- The integration of relevant functions of the Lancashire Local Enterprise Partnership into the Lancashire CCA.
- Devolution of Adult Education functions and the core Adult Education Budget, and the opportunity to provide input into Local Skills Improvement Plans.
- New powers to improve and better integrate local transport and control of appropriate local transport functions.
- Subject to funding, policy and delivery considerations at the next Spending Review, UK Shared Prosperity Fund (UKSPF) planning and delivery at a strategic level from 2025/26.
- The ability to exercise compulsory purchase powers to help drive the regeneration of the area and to build more affordable homes.
- Up to £20 million capital funding in the current Spending Review period to support innovation led growth (including assets to maximise the benefits of National Cyber Force HQ) and net zero ambitions across Lancashire.
- The formation of a wider Lancashire visitor offer encompassing Blackpool.
- Innovation-led growth, including working with government to capitalise on Lancashire economic potential in growing the energy and low carbon sector.
- Improve urban quality and help address poor health.

The eight-week public consultation on the proposed Lancashire devolution deal ran to 26 January 2024.

Each of the devolution deals summarised above is available at <https://www.gov.uk/business-and-industry/city-deals-and-growth-deals>

4) The provisions of the proposed Devon and Torbay devolution deal

The proposed devolution deal for Devon and Torbay was announced by the Secretary of State for Levelling Up, Homes and Communities and published by the Department for Levelling Up, Housing and Communities (DLUHC) on 25 January 2024. It is available on the DLUHC website and further information about the proposed deal is at www.devontorbaydeal.org.uk

Torbay Council will consider it, and the draft proposal for the DT CCA, at its meeting on 2 February 2024.

The proposed devolution deal covers:

- Governance.
- Finance and investment.
- Skills and education.
- Housing and land.
- Transport.
- Net zero and climate change.
- Culture and tourism.
- Digital.
- Innovation, trade, and investment.
- Sector development.
- Public service reform.
- Resilience and public safety.

The proposed devolution deal reflects the Levelling Up White Paper's devolution framework Level 2 offer of functions and funding from Government. In summary, the proposed devolution deal includes commitments to:

- The formation of the DT CCA, including the creation of a leadership group led by a nominated chair, to provide overall vision and leadership, seek the best value for taxpayer's money, and be accountable to residents.
- New powers to better shape local skills provisions to ensure these meet the needs of the local economy. This will include devolution of Adult Education functions and the core Adult Education Budget, Funding for Free Courses for Jobs, and the opportunity to provide input into Local Skills Improvement Plans.
- £16 million of new capital funding in the current Spending Review period (i.e. to March 2025) to support the delivery of local housing priorities, drive Net Zero ambitions and support green skills capacity, and accelerate wider low carbon business transition across the Devon and Torbay area. This investment is subject to agreement of business cases.
- Greater collaboration between the DT CCA and Homes England to reduce the barriers to affordable housing delivery, regeneration and housing growth – with a particular focus on rural and coastal communities. By combining skills and capacity, the DT CCA and Homes England will develop a shared development pipeline, underpinned by a clear action plan, and explore ways to support the delivery of that pipeline via current and future national housing programmes.
- Agreement from Government to discuss the recommendations of the Devon Housing Commission.
- New powers to improve and better integrate local transport, including the ability to introduce bus franchising subject to approval from the Secretary of State for transport, and control of appropriate local transport functions e.g. responsibility for an area-wide local transport plan.
- Subject to funding, policy and delivery considerations at the next Spending Review, UK Shared Prosperity Fund (UKSPF) planning and delivery at a strategic level from 2025/26. In carrying out this role, the DT CCA will engage all district councils and other local partners to ensure that the needs of residents can be effectively addressed.
- The integration of the functions of the Heart of the South West Local Enterprise Partnership held by Devon County Council and Torbay Council into the DT CCA,

alongside the provision of a strong and independent local business voice which informs local decision making and strategic economic planning.

- A commitment to developing, in partnership with the Government, an arrangement which ensures close cooperation with the Police and Crime Commissioner.
- A clear role for Devon and Torbay in local resilience and civil contingency planning, preparation, and delivery.

5) Proposed Devon and Torbay Combined County Authority

The proposed DT CCA would be a way for all the councils in Devon and Torbay to work more closely together, and to receive devolved powers from the Government. It would enable existing locally elected representatives to have more say over decisions that affect the area.

5.1 Public consultation on the draft proposal to establish the Devon and Torbay Combined County Authority

In order to progress the proposed deal, the next step is a public consultation on the draft proposal to establish the DT CCA. The draft proposal (included as a **separate document with the agenda**) explains in detail why the area is seeking to establish the DT CCA, the benefits it would deliver and how it would operate.

Whilst the DT CCA would be a separate body from the existing councils, it would be led by members of those councils. The DT CCA would take responsibility for devolved powers and functions that are not currently subject to direct local democratic control.

It is proposed that a public consultation be carried out from 12 February 2024 to 24 March 2024. The consultation will be open to anyone to respond to, and provision will be made for accessible and alternative versions. The consultation will be publicised through social media and news releases. It will be open to residents, businesses and all other key stakeholders, including district councils, parish and town councils, voluntary and community organisations and other public sector bodies.

The public consultation will invite respondents to provide views on:

- The extent to which they agree or disagree that locally elected representatives should have greater control of decisions and funding affecting Devon and Torbay through the creation of the DT CCA.
- The relative importance of what the DT CCA would deliver across each of the priority areas in the proposal devolution deal.
- The extent to which they agree or disagree that the powers and funding set out in the proposed deal would help the proposed DT CCA deliver the priorities for Devon and Torbay.

The consultation will be published on the Devon and Torbay Devolution Deal website – www.devontorbaydeal.org.uk. It will be possible to respond in a number of ways, including by completing an online form, sending an email or letter. Paper copies of a summary of the draft proposal will be available in each of the libraries in Devon and Torbay.

Themed meetings for invited stakeholders will be organised on green growth, large employers, housing, and transport. There will also be meetings in different areas of Devon and in Torbay, details of which will be published at www.devontorbaydeal.org.uk/

5.2 Core principles

In order to ensure clarity and unity around devolution, the proposed devolution deal sets out six core principles for future governance and delivery:

- **Partnership** – Each member (i.e. constituent, non-constituent and associate members) of the CCA will have the ability to influence devolved activity and have a say in what the CCA does.
- **Accountability** – The constituent councils will develop a constitution and assurance framework that will confirm, clarify and formalise the intention of institutions and local leaders to continue to be transparent and accountable, work closely with local businesses, seek the best value for taxpayers' money and maintain strong ethical standards.
- **Inclusivity** – The CCA will operate inclusively in pursuit of its agreed outcomes.
- **Additionality** – Members of the CCA will work together to deliver things that add value, they will only pool or collaborate on existing activity where there is shared agreement that that should be done.
- **Subsidiarity** - The CCA will not create an additional layer of governance but bring the national level governance to the Devon and Torbay area and much closer to businesses and communities. Place making functions will be delivered through existing local planning authority arrangements for which they are statutorily responsible.
- **Collaboration** – Members of the CCA will collaborate and cooperate to ensure that activities are delivered and actions taken as required, both within the CCA and with other partners across the region. Members will share information, experience, materials and skills to learn from each other and develop effective working practices. This includes joint working with wider peninsula partners, including neighbours in Plymouth, Dorset, Cornwall and Somerset.

5.3 Governance of the Devon and Torbay Combined County Authority

The membership of the proposed DT CCA will comprise:

- Six constituent members appointed by the two constituent councils (ie Devon County Council and Torbay Council), with each constituent council appointing three of their elected members. Each constituent council will appoint one Lead Member (the Leader) and two further members nominated by the Leader of each constituent council.
- Four non-constituent members, of which two will be members nominated by the District councils within the Devon area to act as District representatives.
- Two associate members as decided by the CCA. It is currently proposed that one of these members will represent the voice of business and another the skills/education sector.

To provide leadership of the CCA Board, the CCA will appoint one of the Lead Members of the constituent councils to act as chair of the board. This role will be subject to nomination and approval on a biennial basis.

The Devon and Torbay CCA, in partnership with Government, will ensure that the Devon and Cornwall Police and Crime Commissioner (PCC) is invited to attend and participate in

CCA meetings as an observer or non-constituent member. This will ensure close collaboration and productive joint working between the CCA and PCC.

The CCA's decision making will be split between reserved and general matters. Decisions on reserved matters will be for constituent members only and will require a simple majority of constituent council members in favour. The proposed devolution deal defines reserved matters as being:

- Membership and governance (including voting rights) of the CCA
- The election of the chair of the CCA;
- Agreement of the annual budget of the CCA;
- Policy Framework;
- Associated scrutiny arrangements, including membership;
- Major investment decisions; and
- All Transport Functions

Of those matters reserved for the constituent councils, the following will require both Lead Members to vote in favour:

- Approval of the CCA's budget, including significant financial decisions.
- Approval of and significant amends to the Constitution
- Appointment of the Chief Executive;
- Approval of the policy framework, which will include:
 - i. Corporate Strategy
 - ii. Economic Growth Strategy
 - iii. Skills and Employment Strategy
 - iv. Local Transport Plan, Bus Service Improvement Plan (BSIP) and Local Cycling and Walking Infrastructure Plans (LCWIP)

The following decisions would require the consent of the Lead Member of the relevant Constituent Council, or substitute members acting in their place, in whose area the decision will apply:

- Compulsory purchase of land or buildings by the proposed CCA;
- The exercise of Homes England compulsory purchase power will also require the consent of the relevant planning authority;
- Any decision by the proposed CCA that could lead to a financial liability falling directly upon that constituent council; and
- Such other matters as may be contained within the proposed CCA's constitution.

The CCA will, as part of its formal constitution, determine how it will deal with voting and decision-making between the CCA's wider membership on general matters, for example local policy and strategy making.

Assurance of the work of the DT CCA will be provided through the appointment of an audit committee and an overview and scrutiny committee. The political balance of those committees will reflect the balance of the constituent councils. The chair and vice-chair of the scrutiny committee will not be a member of the same political party as their respective Lead Member. The audit committee will include at least one independent member.

Prior to the establishment of the DT CCA, there will be a transitional phase where it operates as a shadow authority to support a smooth transition to the fully established DT CCA. The shadow authority will not be a legal entity but will work collaboratively from within the constituent councils and in an advisory capacity until the DT CCA is established later this year. Once it is established, the DT CCA will be an employer in its own right and appoint officers including a chief executive, monitoring officer, finance officer. The arrangements will, as far as practicable, draw on the capacity (e.g. through secondments and sharing of staff) of the existing authorities to ensure that the DT CCA is as cost effective as possible.

5.3 Team Devon Joint Committee

Local government responsibilities in the Devon area are split between parish & town councils, the eight district councils, Dartmoor & Exmoor National Park Authorities and Devon County Council. All the councils have a track record of working together under an informal strategic partnership known as Team Devon that brings together the political and operational leadership to ensure a collective voice and leadership to the benefit of Devon residents. This proved highly effective during the pandemic and continues to reap benefits.

A part of the establishment of the DT CCA, the Team Devon partnership would be formalised to inform the collective strategic decision making into the DT CCA. It is intended that at the same time as the DT CCA is created, the authorities will work together to develop a Team Devon Joint Committee for the Devon area under the provisions of the Local Government Act 1972. The agreement to join a statutory Joint Committee would be subject to individual decision-making processes of each authority.

The diagram attached below as appendix 2 shows the DT CCA membership and the Team Devon Joint Committee.

5.4 Heart of the South West Local Enterprise Partnership

Government's sponsorship and funding of Local Enterprise Partnerships will cease from April 2024. A national process of planning the integrating of LEPs core functions of business representation, local economic planning, and the delivery of Government programmes into local authorities is underway.

Somerset Council is leading the work to plan the integration of HotSW LEP functions, in conjunction with Devon County Council, Plymouth City Council and Torbay Council. A draft HotSW LEP integration plan was submitted to DLUHC for review at the end of November 2023. The implications for HotSW LEP staff, assets and finance will be covered in the progress report to the Cabinet meeting on 9 February 2024. Some HotSW LEP functions will be held temporarily by Devon County Council and Torbay Council before transferring into the DT CCA.

5.5 Heart of the South West Joint Committee

The proposed devolution deal, the forthcoming integration of the HotSW LEP into local authorities, together with other changes in Government policy mean that the purposes of the Heart of the South West Joint Committee (HotSW JC) have largely been superseded and other partnership arrangements between the constituent authorities are, or will, deliver the same aims. The Council agreed at its meeting on 7 December 2023 (minute 241 refers)

to give notice of its intention to withdraw from the HotSW JC and propose to the HotSW JC that the Joint Committee be dissolved. The HotSW JC was dissolved on 31 December 2023.

6 Next steps

6.1 Timetable

The anticipated timetable for the next steps is:

- 12 February 2024 to 24 March 2024 –public consultation on the draft proposal for the establishment of DT CCA and proposed devolution deal.
- April 2024 – Cabinet (**Monday 22 April**) and Council (**Monday 29 April**) consideration of the results of the public consultation and final proposal and, subject to Council’s decision, submission of final proposal for the DT CCA to Government.
- May 2024 – Government decision on proposal.
- June 2024 - Statutory Instrument to create the DT CCA finalised.
- July 2024 - Review by Joint Committee on Statutory Instruments.
- Autumn 2024 – Devon and Torbay Councils formally consent to the Statutory Instrument.
- Autumn 2024 – Statutory Instrument laid in Parliament.
- Autumn 2024 – Statutory Instrument comes into force.
- Autumn/Winter 2024 – Launch of the DT CCA and establishment of the Team Devon Joint Committee.

7) Options / Alternatives

An alternative option would be not to proceed with a public consultation on the proposed Devon and Torbay devolution deal. If this option were to be adopted, then there would be no guarantee that a devolution deal and the potential associated powers and funding would be available to the area in the same way in the future.

8) Strategic Plan

The proposed devolution deal will contribute to the Council’s “[Best Place](#)¹” Strategic Plan 2021 – 2025, including the commitments to:

- Support training providers and employers to increase the number of traineeships and apprenticeships for young people and for people to upskill to reflect changes in employment opportunities.
- Secure investment in transport infrastructure to stimulate economic growth, improve accessibility, increase travel choices and improve road safety.
- Enable a range of transport options, including public transport to improve access to services and jobs and to tackle social isolation.
- Work with Team Devon to tackle homelessness and improve the availability of affordable housing in Devon.
- Do whatever we can to make it easier for key workers and people on low incomes to find affordable homes.

¹ <https://www.devon.gov.uk/strategic-plan/>

9) Financial Considerations

The costs of carrying out the public consultation on the proposed Devon & Torbay devolution deal will be shared between Devon County Council and Torbay Council.

To support the establishment of the DT CCA in its early stages, the government will provide £1million of capacity funding over three years: £250,000 in 2024/25, £500,000 in 2025/26 and £250,000 in 2026/27. This core funding will enable the creation and establishment of the CCA without imposing costs on either Devon County Council or Torbay Council. It is not therefore anticipated that there will be any additional costs to the County Council.

The creation of the DT CCA would lead, through the delivery of the devolution deal, to additional funding, including the £16 million of capital, being made available to be spent within the Devon and Torbay area on a wide range of services, projects and schemes.

10) Legal Considerations

The Levelling Up and Regeneration Act (LURA) provides for the establishment of the new form of local government institution – a combined county authority (CCA) – which can be established in, and will enable devolution to, areas with two-tier local government.

The LURA allows a CCA's membership to consist solely of upper-tier local authorities (county councils and unitary councils) and for the CCA to be established over an appropriate geography (e.g. a functional economic area or whole county geography), enabling functions to be effectively exercised and the economic, social and environmental wellbeing of those who live or work in the area to be improved.

The LURA enables CCAs to appoint “non-constituent” members such as representatives of district councils or other local bodies. It also enables CCAs to appoint “associate” members: an individual person - such as a local business leader or an expert in a local issue - to be a representative at CCA meetings to input their specific local knowledge into proceedings.

The LURA requires that prior to submitting a proposal for a CCA to the Secretary of State, the Constituent Councils must undertake a public consultation on the proposal in the proposed area. The Constituent Councils are obliged to carry out the consultation across the proposed area and consider the results. The requirement is for each authority to consider the consultation responses provided across the whole area – not just those provided in their own area.

The Secretary of State may make regulations establishing a CCA for an area if, having regard to the submitted proposal, the Secretary of State considers that:

- (a) to do so is likely to improve the economic, social and environmental well-being of some or all of the people who live or work in the area,
- (b) the Secretary of State considers that to do so is appropriate having regard to the need—
 - (i) to secure effective and convenient local government, and
 - (ii) to reflect the identities and interests of local communities,
- (c) a public consultation has been carried out in connection with the proposal and the Secretary of State has been provided with a summary of the consultation responses.

The Secretary of State's regulations can cover the working mechanisms of a CCA – for example, its membership, voting arrangements and quorum – and its functions such as transport, skills or economic development.

11) Environmental Impact Considerations (Including Climate Change, Sustainability and Socio-economic)

The agreement to support and consult on the proposed devolution deal will not in itself have any environmental impacts. However, if the DT CCA is established it will need to ensure that the environmental impacts of its decisions are assessed and works to reduce carbon emissions.

12) Equality Considerations

A **draft** equality impact assessment of the proposed devolution deal has been prepared and is available on the Council's website at <https://www.devon.gov.uk/impact/published>. Members will need to consider the draft assessment for the purposes of this item.

Data will be collected from those who choose to respond to the consultation including those who identify as having a protected characteristic and a final equality impact assessment will be prepared and made available in April 2023 when the Cabinet and Council consider the final proposal.

The Devon Equality Reference Group supports the County Council's work on equality and diversity by providing advice, feedback, ideas and scrutiny. The ERG members are drawn from the voluntary and community sector are independent of the County Council and Service Level Agreements are in place. The ERG's views on the equality impacts of the draft proposed will be invited in order to inform the final Equality Impact Assessment.

13) Risk Management Considerations

In July 2023 Cabinet considered current strategic risks and priorities. It identified the devolution deal as one of six areas of focus for the Corporate Plan for the next 12 months.

Appendix 1 to CX/24/1

The devolution deal framework included in the Levelling Up White Paper published by HM Government in February 2022

Levelling Up the United Kingdom White Paper

Table 2.3 Devolution Framework

Level 3 – A single institution or County Council with a directly elected mayor (DEM), across a FEA or whole county area

Level 2 – A single institution or County Council without a DEM, across a FEA or whole county area

Level 1 – Local authorities working together across a FEA or whole county area e.g. through a joint committee

Function	Detail	L1	L2	L3
Strategic role in delivering services	Host for Government functions best delivered at a strategic level involving more than one local authority e.g. Local Nature Recovery Strategies	✓	✓	✓
	Opportunity to pool services at a strategic level	✓	✓	✓
	Opportunity to adopt innovative local proposals to deliver action on climate change and the UK's Net Zero targets	✓	✓	✓
Supporting local businesses	LEP functions including hosting strategic business voice		✓	✓
Local control of sustainable transport	Control of appropriate local transport functions e.g. local transport plans*		✓	✓
	Defined key route network*			✓
	Priority for new rail partnerships with Great British Railways – influencing local rail offer, e.g. services and stations			✓
	Ability to introduce bus franchising		✓	✓
	Consolidation of existing core local transport funding for local road maintenance and smaller upgrades into a multi-year integrated settlement			✓
Investment spending	UKSPF planning and delivery at a strategic level		✓	✓
	Long-term investment fund, with an agreed annual allocation			✓
Giving adults the skills for the labour market	Devolution of Adult Education functions and the core Adult Education Budget		✓	✓
	Providing input into Local Skills Improvement Plans		✓	✓
	Role in designing and delivering future contracted employment programmes			✓
Local control of infrastructure decisions	Ability to establish Mayoral Development Corporations (with consent of host local planning authority)			✓
	Devolution of locally-led brownfield funding			✓
	Strategic partnerships with Homes England across the Affordable Housing Programme and brownfield funding			✓
	Homes England compulsory purchase powers (held concurrently)		✓	✓
Keeping the public safe and healthy	Mayoral control of Police and Crime Commissioner (PCC) functions where boundaries align [^]			✓
	Clear defined role in local resilience*		✓	✓
	Where desired offer MCAs a duty for improving the public's health (concurrently with local authorities)			✓
Financing local initiatives for residents and business	Ability to introduce mayoral precepting on council tax*			✓
	Ability to introduce supplement on business rates (increases subject to ballot)			✓

* refers to functions which are only applicable to combined authorities

[^] refers to functions which are currently only applicable to mayoral combined authorities

*FEA is a Functional Economic Area

Appendix 2 to CX/24/1



Name: Donna Manson
Electoral Divisions: All

Cabinet member: Leader of the Council and Cabinet Member for Policy, Corporate and Asset Management

Local Government Act 1972: List of background papers

Background Paper: None
Date
File Reference

Contact for enquiries:

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Address: County Hall, Topsham Road, Exeter, EX2 4QD

Devon and Torbay Devolution Deal

Subject to ratification of the deal by all partners and the statutory requirements referred to within this document, including the consent of all councils affected and parliamentary approval of the secondary legislation implementing the provisions of this deal.



Department for Levelling Up,
Housing & Communities



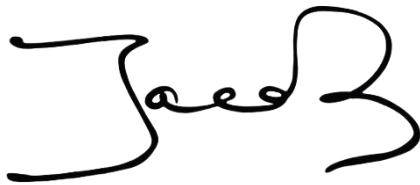
TORBAY COUNCIL

Signature Page

A handwritten signature in black ink that reads "Michael Gove". The letters are cursive and fluid.

The Rt Hon Michael Gove MP

Secretary of State for Levelling Up, Housing and Communities

A handwritten signature in black ink that reads "Jacob". The letters are cursive and stylized.

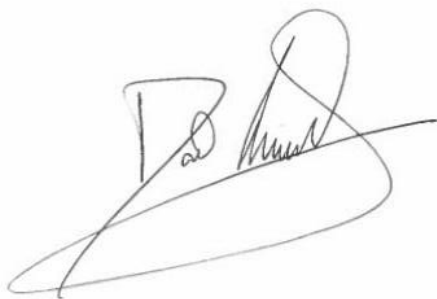
Jacob Young MP

Minister for Levelling Up

A handwritten signature in black ink that reads "John Hart." The signature is written in a cursive style and is underlined with a single horizontal line.

Cllr John Hart

Leader of Devon County Council

A handwritten signature in black ink that reads "David Thomas". The signature is written in a cursive style and is underlined with a single horizontal line.

Cllr David Thomas

Leader of Torbay Council

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Introduction

1. Devon and Torbay is a special place with enormous potential in its businesses, people and places. Encapsulating the majority of the ceremonial county of Devon, located within the heart of the south west, the area has a rich history, culture and dynamic economy, with a world renowned food and drink sector, an increasing reputation as a centre for international environmental science, and – with its stunning natural environment – a deserved status as a destination of choice to visit, learn and invest. Devon and Torbay has a long standing entrepreneurial and trading history; from its wool merchants and guilds in the middle ages, through to its maritime and fishing heritage along both its coastlines, to today's excellence in defence and advanced manufacturing, photonics and agritech. From the English Riviera, to its rural market towns and Exeter, to Northern Devon's Atlantic Coast, the area is typified by a sense of enterprise, innovation and ambition, whether in meeting the demographic challenges of tomorrow, welcoming its 30 million visitors a year, or driving forward net zero opportunities through its leading universities and businesses.
2. The government has set itself a mission that, by 2030, every part of England that wants a devolution deal will have a devolution deal with powers at, or approaching, the highest level of devolution, with a simplified, long-term funding settlement. The 2022 Levelling Up White Paper makes clear the case for devolution as the engine room of improved productivity and reduced regional disparities. Devolution will be critical to delivering our twelve headline levelling up missions by strengthening local leadership to act more flexibly and innovatively to respond to local need, whether on transport, skills or regeneration.
3. In the Levelling Up White Paper, the government published for the first time a devolution framework, which set out a clear menu of options for places in England that wish to unlock the benefits of devolution. This framework places a strong emphasis on the importance of high profile, directly elected local leadership, strong local governance, and joint working across sensible and coherent economic geographies. The most comprehensive package is a Level 3 deal, for areas with a single institution over a sensible geography, with the strongest and most accountable leadership, such as a mayoral combined authority (MCA) or a mayoral combined county authority (MCCA) covering a functional economic area or the whole county geography with a directly elected mayor. The Level 2 offer is for devolution to single local government institutions without a directly elected mayor, such as a combined authority or combined county authority covering a functional economic area or the whole county geography. The Level 1 offer is for local authorities with looser joint working arrangements, such as a joint committee model.
4. This document sets out the terms of an agreement for a Level 2 devolution deal between the government and Devon County Council and Torbay Council ("Devon and Torbay"), subject to ratification of the deal by the councils and the statutory

requirements for making the secondary legislation implementing the deal. This document describes both the offer of functions and funding from the government, and the reforms and measures that Devon and Torbay will need to deliver. The statutory requirements for implementing the deal include public consultation, the councils consenting to the secondary legislation implementing aspects of the deal, and Parliament approving it. Once this legislation is approved and made, the devolution deal will be confirmed.

5. With a population of 953,000 residents and a GVA of over £17 billion, Devon and Torbay offers enormous potential. It has nearly 50,000 businesses providing around 473,000 jobs. It is a coherent economic area and has a number of significant sectors with potential for growth, including advanced manufacturing and engineering, environmental technologies, data and clean industries; digital business, electronic and photonics activity; health and pharmaceutical manufacture and wider defence industries, as well as traditional strengths in areas such as tourism and agritech and food production.
6. The area of Devon and Torbay benefits from encapsulating a broad and varied economic geography. Home to the city of Exeter, with its knowledge led and high value economy, and the towns of Torquay and Paignton, which bring together high value electronics and healthcare technologies with traditional strengths across the visitor economy, the area brings together a range of nationally significant businesses and assets, from Harland and Wolf to the Met Office. It also benefits from 2 world class universities and four nationally significant technical colleges which provide research and training excellence. The area is also famous for its broader rural and coastal geography, with the majority of its population living within the stunning Devon landscape which incorporates two national parks of Dartmoor and Exmoor. Home to around 30% of the UK's dairy industry, with Brixham being one of England's largest fishing ports by value of catch, the County is famous as an agricultural and food production hub
7. But Devon and Torbay also face challenges which impact on productivity levels and the ability to grow. Productivity lags behind the UK average overall within the area, requiring a 30% increase to close the gap¹, and public spending per person in the South West has historically trailed the rest of the UK². Rural, urban and coastal areas of the Devon and Torbay area suffer from nationally significant levels of poverty, with parts of Torridge and Northern Devon amongst the bottom 5% worst affected areas of England, and West Devon and Torbay having the lowest and second-lowest workplace-based wages of any authority in the Country. Social mobility and youth aspiration and progression are particular areas of concern, with around 40% of all young people leaving the area due to a lack of available housing and attractive employment opportunities in many communities. The area faces

¹ [Regional gross value added \(balanced\) per head and income components - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

² HM Treasury, Country and Regional Analysis: 2022, 16 November 2022

significant challenges with skills and educational performance, with pockets of nationally significant educational need and some of the lowest Level 4 achievement rates in the country across its urban, rural and coastal areas.

8. Greater local powers are needed to level up, to tackle the challenges facing the Devon and Torbay area, to harness its huge economic opportunity for the benefit of the people of the area and for the whole of the UK. In recognition of this, the Government has already invested £64.7 million through the Levelling Up Fund to the area, with local authorities across the Devon and Torbay area have also been allocated a three-year total of £14.8 million UK Shared Prosperity Fund (including Multiplier programme funding).
9. The local authorities of Devon and Torbay with Government have agreed a historic Level 2 devolution deal which will provide powers and funding to enable Devon and Torbay to unleash its economic potential and in doing so level up, raise living standards for its communities and make a greater contribution to the UK economy. The Devon and Torbay Devolution Deal shows how levelling up can be done in practice – with clear alignment to the twelve headline Levelling Up missions and long-term, devolved funding underpinning it.
10. Government recognises that devolution is a journey, not a one-off event. This agreement is the first step in a process of further devolution. As institutions mature, they can gain greater responsibility, and Devon and Torbay will be able to deepen their devolution arrangements over time, subject to Government agreement. The Government will also continue to work with Devon and Torbay on important areas of public service reform and infrastructure investment, to support inclusive economic growth in towns, cities, rural and coastal areas whilst tackling the climate emergency, on our journey to 2050.

Summary of the Devolution Deal between the Government and the Local Authorities within the Devon and Torbay area.

The Government and the constituent councils are minded to agree a devolution deal which will provide the Devon and Torbay area with new powers and funding to increase opportunities and living standards through inclusive growth and productivity improvements.

A Devolution Agreement is contingent upon the constituent councils proceeding through the steps necessary to meet the governance criteria required for a Level 2 devolution deal.

The Devolution Agreement includes:

- The formation of the Devon and Torbay Combined County Authority (CCA), including the creation of a leaders group led by a nominated chair, to provide overall vision and leadership, seek the best value for taxpayer's money, and be accountable to local residents.
- New powers to better shape local skills provisions to ensure these meet the needs of the local economy. This will include devolution of Adult Education functions and the core Adult Education Budget, and the opportunity to provide input into Local Skills Improvement Plans.
- £16 million of new capital funding in this Spending Review period to support the delivery of local housing priorities, drive Net Zero ambitions and support green skills, and accelerate wider low carbon business transition across the Devon and Torbay area. This investment is subject to agreement of the relevant business cases.
- Greater collaboration between Devon and Torbay CCA and Homes England to reduce the barriers to affordable housing delivery, regeneration and housing growth – with a particular focus on rural and coastal communities. By combining skills and capacity, Devon and Torbay CCA and Homes England will develop a shared development pipeline, underpinned by a clear action plan, and explore ways to support the delivery of that pipeline via current and future national housing programmes. Devon and Torbay CCA have also secured agreement from government to discuss the recommendations of the Devon Housing Commission.
- New powers to improve and better integrate local transport, including the ability to introduce bus franchising subject to approval from the Secretary of State for transport, and control of appropriate local transport functions e.g. responsibility for an area-wide local transport plan.

- Subject to funding, policy and delivery considerations at the next Spending Review, UK Shared Prosperity Fund (UKSPF) planning and delivery at a strategic level from 2025/26.
- The integration of the functions of the Heart of the South West Local Enterprise Partnership held by Devon County Council and Torbay Council into the Devon and Torbay CCA, alongside the provision of a strong and independent local business voice which informs local decision making and strategic economic planning.
- A clear role for Devon and Torbay in local resilience and civil contingency planning, preparation and delivery.

More detail on these commitments is given in the main body of the document below.

Once the CCA has been established, further devolved powers and consolidated funding may be agreed over time and included in future legislation. This will be subject to the area's status as a Level 2 devolved area.

Governance

11. The constituent councils of Devon and Torbay have a history of working well together, having originally come together, along with other local authorities, to explore the potential for devolution and improved local leadership in 2016. This led to the creation of the Heart of the South West Joint Committee in 2017, providing a joint body to take forward shared activity and opportunities across the Devon and Somerset area.
12. To complement this approach, local authority partners within Devon came together in 2018 to form the Team Devon partnership. The County Council, Devon's district councils (East Devon District Council, Exeter City Council, Mid Devon District Council, North Devon Council, South Hams District Council, Teignbridge District Council, Torridge District Council and West Devon Borough Council), and wider county stakeholders (including Devon's two national parks and the Devon Association of Local Councils which represents Devon's town and parish councils) formed an informal partnership which allowed for the pursuit and discussion of shared matters.
13. These approaches have culminated over the past 18 months in a renewed appetite for devolution, with the two constituent councils, Devon's districts and wider partners all coming together to work upon a single devolution deal, building on existing partnership working.
14. In order to ensure clarity and unity around devolution to achieve this next step, the two constituent councils (working closely with Devon's district councils, business, education and university partners) have agreed six core principles for future governance to be applied to the delivery of this devolution deal:
 - **Partnership** – Each member (i.e. constituent, non-constituent and associate members) of the CCA will have the ability to influence devolved activity and have a say in what the CCA does.
 - **Accountability** – The constituent councils will develop a constitution and assurance framework that will confirm, clarify and formalise the intention of institutions and local leaders to continue to be transparent and accountable, work closely with local businesses, seek the best value for taxpayers' money and maintain strong ethical standards.
 - **Inclusivity** – The CCA will operate inclusively in pursuit of its agreed outcomes.
 - **Additionality** – Members of the CCA will work together to deliver things that add value, they will only pool or collaborate on existing activity where there is shared agreement that that should be done.
 - **Subsidiarity** - The CCA will not create an additional layer of governance, but bring the national level governance to the Devon and Torbay area: much closer to businesses and communities. Place making functions will be delivered

through existing local planning authority arrangements for which they are statutorily responsible.

- **Collaboration** – Members of the CCA will collaborate and cooperate to ensure that activities are delivered and actions taken as required, both within the CCA and with other partners across the region. Members will share information, experience, materials and skills to learn from each other and develop effective working practices. This includes joint working with wider peninsula partners, including neighbours in Plymouth, Dorset, Cornwall and Somerset.

Devon and Torbay Combined County Authority

15. As part of this deal, the constituent councils intend to adopt the CCA model which is provided for in the Levelling-up and Regeneration Act 2023 (“LURA”).

16. A key advantage of the CCA model is its capacity to provide for joint governance arrangements between authorities around key growth levers such as transport, skills, economic development, housing and regeneration, creating a shared structure through which strategic prioritisation can be taken forward across an area and integrated policy goals better pursued. A CCA also offers additional accountability and improved line of sight for Government around local delivery and commissioning.

17. As a Level 2 area, the Devon and Torbay CCA is to be one of the first in the country not to feature a mayor or directly elected leader. Instead, the CCA will be led by a group of local leaders who will act as its Executive, with one of this leadership group acting as the Chair of the Devon and Torbay CCA’s Board. In line with the provisions of the Levelling Up White Paper, this streamlined group of Leaders will provide the accountability and line of sight required by Government for the successful devolution of activity.

18. As such, the Devon and Torbay CCA will comprise the following membership:

- Six constituent members appointed by the two constituent councils (Devon County Council and Torbay Council), with each constituent council appointing three of their elected members. Each constituent council will appoint one Lead Member (normally the Leader) and two further members nominated by the Leader of each constituent council.
- Four non-constituent members, of which two will be members nominated by the District councils within the Devon area to act as District representatives.
- Two associate members as decided by the CCA. One of these members will represent the voice of business and another the skills/education sector.
- The Devon and Torbay CCA, in partnership with Government, will ensure that the Devon and Cornwall Police and Crime Commissioner (PCC) is invited to attend and participate in CCA meetings as an associate or non-constituent member. This will ensure close collaboration and productive joint working between the CCA and PCC.

19. Though the CCA will be made of up of constituent and non-constituent members, decision making will be split between reserved and general matters. Decisions on reserved matters will be for constituent members only and will require a simple majority of constituent council members to vote in favour.
20. Matters reserved for the constituent councils will include:
- Membership and governance (including voting rights) of the CCA
 - The election of the chair of the CCA;
 - Agreement of the annual budget of the CCA;
 - Policy Framework;
 - Associated scrutiny arrangements, including membership;
 - Major investment decisions; and
 - All Transport Functions
21. Of those matters reserved for the constituent councils, the following will require both Lead Members to vote in favour:
- Approval of the CCA's budget, including significant financial decisions.
 - Approval of and significant amends to the Constitution
 - Appointment of the Chief Executive;
 - Approval of the policy framework, which will include:
 - i. Corporate Strategy;
 - ii. Economic Growth Strategy;
 - iii. Skills and Employment Strategy;
 - iv. The Local Transport Plan, Bus Service Improvement Plan (BSIP) and the Local Cycling and Walking Infrastructure Plan (LCWIP);
22. The CCA will determine how it will deal with voting and decision-making between the CCA's membership on general matters, for example local policy and strategy making, as part of its broader Constitution.
23. To provide leadership of the CCA Board, the CCA will also appoint one of the Leader Members to act as Chair of the Board. This role will be subject to nomination and approval on a biennial basis.
24. In bringing forward the Devon and Torbay CCA, Government and constituent councils are aware that the CCA institutional model as set out through the LURA only provides opportunities for upper tier authorities to be formal constituent members. Both parties, however, place high importance on the CCA working collaboratively with the eight district councils across the Devon area and ensuring that they have a voice within the CCA.
25. The district councils in Devon will be empowered to nominate two members to represent their interests on the CCA. Devon County Council and the eight district councils have worked together to agree a system of nominations. It has been agreed that a Team Devon joint committee will be established under Sections 101 to 103 of the Local Government Act 1972 and all other enabling legislation. Members of the Team Devon joint committee will include representatives of Devon County Council; the City, District and Borough Councils in the Devon area; the

National Park Authorities and the Devon Association of Local Councils. The terms of reference of the Team Devon joint committee will enable it to have a voice and establish a collective position in the CCA.

26. Functions contained in this deal document will be devolved to the Devon and Torbay CCA but subject to Parliamentary approval.

27. No local authority functions are being removed from any local authority in the area, other than transport functions, as agreed with the constituent councils. Where other local authority functions are conferred on the CCA they will be held concurrently with the local authorities in the area to ensure joined up decision making. Arrangements for the concurrent exercise of the functions will be a matter for agreement between the CCA and the constituent councils as appropriate.

28. The Devon and Torbay CCA will be given powers in relation to:

- Economic development and regeneration functions
- Adult education and skills functions
- Housing supply, regeneration and placemaking functions; and
- Transport

29. Where existing functions or resources currently held by the constituent councils are to be shared with the CCA, this must be agreed by constituent councils/District councils as relevant.

30. The following decision will require the consent of the Lead Member of the relevant constituent council, or substitute members acting in their place, in whose area the decision will apply:

- Compulsory purchase of land or buildings by the CCA;
- The exercise of Homes England compulsory purchase power will also require the consent of the relevant planning authority;
- Any decision by the CCA that could lead to a direct financial liability falling upon a constituent council;
- Such other matters as may be contained within the CCA constitution

31. For the Overview and Scrutiny Committee and Audit Committee, at least two members will be nominated from each constituent council for each committee. In addition, there will be non-constituent council representatives on the Overview and Scrutiny Committee and the Audit Committee. There will be a requirement for political balance on the Committees which will reflect the political balance of the constituent councils. The constituent councils will also consider how best to ensure that wider relevant partners (Business, Education and University, Community) are represented effectively on the Overview and Scrutiny and/ or Audit Committees. The Audit Committee will include at least one independent person.

32. The chair and vice chair of the Overview and Scrutiny Committee will be appointed by the CCA, following a proposal put to them by the Overview and Scrutiny Committee in question. The chair and vice chair shall not be a member of a registered political party of which their respective constituent Lead Member of the CCA is also a member. The CCA will determine how it enhances and develops wider engagement with all elected members in the CCA area on key issues.
33. As a local government institution with devolved powers, Devon and Torbay CCA will be subject to the English Devolution Accountability Framework ('the Framework'). The Framework applies to all English institutions with devolved powers. In line with the Framework, the Government, Devon and Torbay CCA and other areas with devolution deals will work together to put in place mechanisms to ensure that local leaders and institutions are transparent and accountable, work closely with local businesses, seek the best value for taxpayers' money, and maintain strong ethical standards.
34. Devon and Torbay CCA should also have regard for the government's Scrutiny Protocol, which develops the standards and best practice to make sure that scrutiny committees in areas with devolution deals can meet this unique challenge. This is to empower local residents and provide them with the confidence that devolution is leading to improvements in their area.
35. The proposals in this devolution deal are subject to ratification by each constituent council. This will include consultation on the proposal with the local community and business, and the submission of the outcomes of the consultation to the Government. Implementation of the deal is subject to the Secretary of State being satisfied that the required statutory requirements have been met and the consent of each constituent council has been provided, and parliamentary approval of the required secondary legislation being provided.
36. Government and partners within Devon and Torbay recognise that Devolution is a journey, not a one-off event. This agreement is a first step in a process of further devolution, with the potential for areas to evolve and grow over time with the Devon and Torbay CCA, ensuring that devolution is maximised for the benefit of our residents.
37. Whilst this Deal therefore provides the basis for the creation of a CCA for the areas of Devon and Torbay, it will remain open to additional councils to apply to join the CCA as a full constituent member at a later date, should they wish to do so, subject to the statutory process and in accordance with section 23 of the LURA.
38. This deal does not rule out in principle any future options for further local alignment and joint working.

LEP Integration

39. The Levelling Up White Paper announced the Government's intention to support the integration of Local Enterprise Partnership functions and roles into local democratic institutions. On 4 August 2023 Government confirmed its previous 'minded to' decision to withdraw central government support (core funding) for

Local Enterprise Partnerships from April 2024 and transfer their functions to local and combined authorities. This deal confirms the integration of LEP functions into the Devon and Torbay CCA, subject to the agreement of the integration plan by the constituent councils and its endorsement by Government.

40. Devon and Torbay CCA will be supported to take on relevant functions and roles of the Heart of the South West LEP in line with published guidance and with any agreed interim arrangements. In doing so, all parties will work together to ensure the independence of the local business voice is maintained, with the business voice to be represented within Devon and Torbay, and with advisory boards representative of the geographies and composition of their local communities. Devon and Torbay CCA will ensure that any business advisory board or equivalent structure is meaningfully involved in local decision making, maintaining a culture of constructive challenge and scrutiny with the Devon and Torbay assurance framework.
41. Government funding for integrating LEP functions will be subject to future spending decisions by individual departments and business planning.

Finance and Investment

42. The constituent councils will create a fully devolved funding programme covering all budgets for devolved functions accountable to the Devon and Torbay CCA.
43. The Devon and Torbay CCA will have the flexibility to secure private and public sector leverage as appropriate. As per local government guidance, the Devon and Torbay CCA will also be able to use capital receipts from asset sales as revenue funding for public service transformational initiatives.
44. The costs of establishing the CCA will be met from the overall resources of the CCA. To support the Devon and Torbay CCA in its early stages of this deal, the government will provide £250,000 of Capacity Funding in 2024/25, £500,000 in 2025/26 and £250,000 in 2026/27. This will be provided on the basis that the establishing legislation has been made and an Assurance Framework confirmed with the government. Any future capacity funding will be subject to Spending Review, in line with arrangements for all other devolution deals.
45. Subject to funding, policy and delivery considerations at the next Spending Review, the Levelling Up White Paper sets out the government's expectation that delivery responsibility for the UK Shared Prosperity Fund will be aligned with devolution deal responsibilities. This would mean that Devon and Torbay CCA could have such responsibilities from 2025/26. In carrying out this role, the CCA will need to engage constituent councils, district and borough councils and other local partners to ensure that the needs of residents can be effectively addressed.
46. The government understands that Devon and Torbay currently has, and will in the future have, interest in applying for funding and other opportunities made available. This includes but is not limited to the Levelling Up Fund. This deal does not preclude participation in such processes where the Devon and Torbay CCA meets the relevant criteria.
47. As part of their joint working, the constituent councils have agreed that they will work together so that no area should be worse off as a result of the creation and work of the Devon and Torbay CCA. As far as possible, the Devon and Torbay CCA will also seek to work with Government to ensure parity with other Level 2 areas around resources and funding as Devolution evolves, and seek to ensure that the additional funding and resources brought forward through this Deal are sustained and will reoccur through future spending review and other funding processes.

Skills and Education

Adult education

48. Whilst the number of people qualified to Level 2 and Level 3 within Devon and Torbay is above the national average, those qualified to a degree level remains 5% below the national average, with retention of both graduates and young people remains a significant challenge for the area, with only around 35% of all local graduates staying within the area, and only 60% of those below the age of 25 remaining after leaving tertiary education. Such attainment and retention issues also vary dramatically across the area's eleven authorities, with degree level attainment within Torridge District amongst the lowest in the UK at just 21.9%.
49. The demographics of Devon and Torbay's workforce are similarly challenging. Whilst centres like Exeter benefit from greater proportions of higher skilled young people, the area's population overall is currently aging faster than the rest of the UK, with the population over the age of 65 due to increase by around 45% by 2030. Unlike other areas, this population includes a significant number of the individuals who underpin the area's higher skilled industries, notably within engineering, health and construction. Whilst replacement and upskilling amongst younger people has accelerated over the past 5 years, the rate is still estimated to be too slow to allow for a like for like replacement by 2030 without further action. Challenges around retention and social mobility across large areas of the Devon and Torbay area also continue to contribute to issues around multigenerational economic inactivity and a sustained number of individuals with complex barriers to employment.
50. The Government will fully devolve the Adult Education Budget (AEB) to the Devon and Torbay CCA from academic year 2026/2027 subject to readiness conditions and Parliamentary approval of the required secondary legislation conferring the appropriate functions. Funding for Free Courses for Jobs (FCFJ) will also be devolved and will be ring-fenced.
51. Prior to devolution of the AEB, the Government will however work with the Devon and Torbay CCA to support their preparation for taking on the relevant functions and will make implementation funding available for Devon and Torbay, subject to the availability of appropriate central funding included in the next Spending Review.
52. Upon devolution, the Devon and Torbay CCA will be responsible for making allocation to providers in accordance with the conditions imposed on them, including ministerial directions, and setting the outcomes to be achieved. The Government will not seek to second guess these decisions, but it will set proportionate requirements about outcome information to be collected in order to allow students to make informed choices.

53. The government will inform Devon and Torbay on which basis the existing methodology operates to calculate the size of the grant to be paid to the CCA for the purpose of exercising the devolved adult education functions.
54. The government will discuss with Devon and Torbay CCA, and other areas which are planning to secure devolved adult education functions, in a timely manner and before decisions are made, any proposed changes to its methodology for calculating devolved areas' grants.
55. In order to proceed with devolution, the Government needs to be assured of the following readiness conditions:
- a. The Secretary of State for Education and appropriate accounting officer are assured that Devon and Torbay CCA is operationally ready to administer the Adult Education Budget and is satisfied the required statutory tests have been met.
 - b. Parliament has legislated to enable transfer to Devon and Torbay CCA of the current statutory duties on the Secretary of State to secure appropriate facilities for further education for adults from this budget and for provision to be free in certain circumstances.
 - c. Agreement to a memorandum of understanding between the Department for Education and Devon and Torbay CCA that provides appropriate assurance that the named parties will work together to ensure the future financial stability of the provider base, including for sharing financial risk and managing provider failure.
 - d. Learner protection arrangements are agreed between parties.
56. As part of the devolution of AEB to Devon and Torbay, the CCA will also consider the risk of adding additional burdens on college providers across the wider area when making changes to AEB policies.
57. The Department for Education will continue to work with Devon and Torbay to commission a local programme of Skills Bootcamps, to be informed by future spending agreements.

Skills and Employment

58. Local Skills Improvement Plans (LSIPs) will set out the current and future skills needs of the area and how local provision needs to change to help people develop the skills they need to get good jobs and increase their prospects. LSIPs will build a stronger and more dynamic partnership between employers and further education providers and allow provision to be more responsive to the skills needs of employers in local labour markets.
59. Working with the designated Employer Representative Body, and utilising and sharing the local labour market intelligence and analysis developed, Devon and Torbay CCA will support and provide input into the LSIP for the area. Government

will consider the current LSIP boundaries in 2025 at the end of the funding period, with the aim of maximising alignment across boundaries where possible.

Career Education and Advice

60. The Government recognises the significant unique opportunities that are developing across Devon and Torbay and that, to ensure maximum benefit of the AEB allocation and the area's economic growth, a more place-based and industry led approach to careers education is developed for both adults and young people. Ensuring access to high quality careers, advice and guidance is a crucial element of the Government's long-term ambitions around social mobility, raising aspiration and ensuring we are able to secure the future workforce our economy needs.
61. In support of this objective, the Heart of the South West LEP and Local Authority partners have hitherto worked closely on the development of the Heart of the South West Careers Hub. With the folding in of relevant LEP functions as announced in August 2023, the Government and partners within the Devon and Torbay CCA wish to ensure that there remains a shared focus on careers education and advice for young people. This is particularly crucial given the specific challenges faced in Devon and Torbay around education aspiration and confidence, with progression into higher education and higher level technical skilled careers often lower than amongst comparator areas. The Department for Education will therefore seek to work with DLUHC, Devon and Torbay CCA, and other relevant partners to support the continuity of activity within the Careers Hub.
62. To ensure a more place-based and joined-up approach to careers education locally, the government supports Devon and Torbay CCA to work with local stakeholders to align careers provision with devolved AEB activities.

Employment

63. Devon and Torbay CCA and the Government recognise the crucial link between local skills, education, health and workforce development activity in the region and the work of the Department of Work and Pensions.
64. The Department for Work and Pensions, through regional Jobcentre Plus and Partnership teams, and the Devon and Torbay CCA will work together on shared strategic employment priorities through a place-based approach.
65. Devon and Torbay CCA will work in partnership with local and regional work and health stakeholders, including all local authorities in the region with responsibility for UKSPF until 2025, as well as Department for Work and Pensions and other parts of UK Government to ensure effective and coordinated strategic planning and delivery of local employment, health and skills provision, that meet local needs and complement national employment provision.

Housing and Land

66. The Government and partners within Devon and Torbay recognise the specific pressures faced across local communities around housing affordability and availability. Such issues are particularly acute amongst younger people within the area, where challenges around affordability, accessibility and availability of suitable housing create barriers to progression, retention and community growth. For the Devon and Torbay economy, this then generates wider issues around workforce availability, talent attraction and local productivity. Too often it is also those furthest from the market and independence, such as those who have experienced care or those with a health or mental health need who find it hard to secure local, good quality homes.
67. As local authorities, the constituent councils already have access to a broad range of powers and tools allowing them to collectively work together to acquire land, develop new homes and act more generally to improve local housing conditions. Constituent councils are, with partners, also already working together through the Devon Housing Task Force to explore potential areas for additional progress, from joint housing policy approaches to alignment of development activity.
68. The Government and the constituent councils believe that devolution at Level 2 now offers an opportunity to better align this work within the Devon and Torbay area, seeking to accelerate housing delivery as well as promote wider measures that enhance availability and affordability locally. The Government and the constituent councils will therefore seek to work together to explore further opportunities to improve housing delivery across the next period through the CCA.

Working with Homes England

69. The constituent councils and Homes England are committed, with the support of the Department for Levelling Up, Housing and Communities (DLUHC) to working collaboratively on this basis – combining their skills and capacity to reduce the barriers to affordable housing delivery, regeneration and wider housing growth through the development of a shared development pipeline for the region. This will be underpinned by a clear action plan setting out workstreams, timescales and milestones, as well as respective roles and responsibilities.
70. Homes England and DLUHC will explore the potential for investing in the delivery of this pipeline – in support of Devon and Torbay wider strategic ambitions for enhancing the affordability and accessibility of housing locally – through current and future funding streams, including the Affordable Homes Programme. Through taking a co-design approach with Homes England, the Devon and Torbay CCA will seek to enhance the impact of any funding allocated within the area over the next five years.
71. As part of this approach, partners within Devon and Torbay will seek to further align their own resources and capacity alongside the work of the CCA, working closely

with Government to maximise the impact of joint programmes such as the One Public Estate through the use of their land and wider capital assets.

Rural and Coastal Housing

72. Recognising the specific challenges involved in increasing housing availability and affordability in small rural and coastal communities for those with the highest needs, Homes England, DLUHC and the constituent councils will also collectively explore how wider measures – including facilitating greater Community Land Trust-led delivery – could better support Devon and Torbay CCA's plans to increase much needed rural and coastal affordable housing delivery, especially across small sites.

Investment

73. From the £16m capital commitment from Government, funding will be made available over the next two years to support the development of a small sites Green Homes investment programme. This funding will be subject to the development of a detailed business case but will offer communities and local partners an opportunity to fast track the development of relevant high quality, green homes across the Devon and Torbay area.

Homelessness

74. The Government and the Devon and Torbay CCA will seek to work together with lead local authorities, including District and County authorities, to explore additional solutions for individuals who are homeless within hotspots across the area.

Differentiated Housing Challenges

75. The Government and constituent councils recognise the differentiated nature of local housing markets and look forward to reviewing the outputs from the Devon Housing Commission, chaired by Lord Best and supported by the University of Exeter. As part of this approach, constituent councils will also work closely with Government around the implementation of new housing policy approaches, as well as on DCMS' recent consultation on a registration scheme for short term lets.

Compulsory Purchase Powers

76. The Devon and Torbay CCA will also have access to additional land assembly and compulsory purchase powers for housing, regeneration and growth purposes, subject to the agreement of the Devon and Torbay local authority constituent member where the relevant land is located and to the consent of the Secretary of State for Levelling Up, Housing and Communities.

Second homes and short term lets

77. Devon and Torbay have specific challenges around second homes and short-term lets. Between 2019 and 2002, available private rented stock across the Devon and Torbay area fell by over 50%, whilst the number of registered second homes increased 2% year on year in the same period. In two districts, South Hams and West Devon, second homes made up over 10% off the total available stock in 2022, with average prices increasing to over 11 times the average local salary in the same period.

78. Government has introduced powers through the LURA to enable local councils to apply a council tax premium of up to 100% on second homes.

79. The Government is also taking steps to address concerns about the impact of short-term lets on local communities and housing markets. For instance, the Government recently held a consultation on the design of a registration scheme for short-term lets in England, which it committed to introduce through the LURA, and another on the introduction of a planning use class for short-term lets and associated permitted development rights. The Government is now analysing the responses to both consultations. The Government will look for opportunities to work with Devon and Torbay as any national measures are taken forward.

Transport

Powers of the Local Transport Authority and Local Transport Plans

80. The Devon and Torbay CCA will become the Local Transport Authority (LTA) for the new combined county authority area and take on a strategic coordination role and accountability for associated responsibilities and local public transport powers. There may be some areas where functions are delegated to the constituent councils where local decision making on specific matters is more appropriate.
81. As part of becoming the LTA, responsibility for an area-wide Local Transport Plan (LTP) will be conferred on the Devon and Torbay CCA. The Devon and Torbay CCA will develop a provisional area-wide LTP by March 2025 to be finalised by the Devon and Torbay CCA once established. Spending Review is expected in 2024; in developing its case for local transport investment DfT will be engaging the local transport sector. As such, we will look to draw on any emerging evidence base and strategy the Devon and Torbay CCA is able to make available by that time. The Devon and Torbay CCA will be expected to ensure its LTP aligns with best practice in transport planning including any revised LTP guidance, and to update their LTP as necessary.
82. The above focus on local transport planning will allow Devon and Torbay CCA to design and deliver a pipeline of transport interventions, aligned with both DfT's and Devon and Torbay's wider strategic priorities including local growth, improving the transport user experience, decarbonisation and reducing environmental impact. The development of such strategies will be in partnership with the constituent councils who will also support Devon and Torbay CCA with local leadership in the preparation of transport investment bids, design and delivery of the infrastructure to meet the aims and objectives of the transport plan.
83. The Devon and Torbay CCA, in its LTA role, will be accountable for receipt and allocation of Government local transport funding to the constituent councils. Highways funding will go directly to the constituent councils as highways authorities. Government acknowledges the desire for longer-term certainty around transport funding to accelerate the planning and delivery of infrastructure and will continue to explore options for all local transport authorities, including Devon and Torbay CCA, as part of the next Spending Review.

Local and Regional Partnership Working

84. The Government recognises that local and regional level organisations are best placed to deliver practical changes to meet shared strategic objectives on local economic growth and decarbonisation, ensuring that local communities and businesses are engaged. Peninsula Transport Sub National Transport Body (STB) will develop its Regional Centre of Excellence, which will offer bespoke capability and tools to support to all Local Authorities in the STB area. Drawing upon the evidence base and emerging strategic plan for Peninsula Transport STB, this

provides the opportunity for Devon and Torbay CCA to work with the STB to establish if Devon and Torbay CCA would benefit from capability support.

85. As set out in the National Electric Vehicle Strategy, the Government recognises the aspirations of Devon and Torbay CCA and the current joint working of the constituent councils to improve public electric vehicle charging infrastructure, which would increase the uptake of electric vehicles and reduce carbon emissions by supporting all motorists in making the switch. Devon and Torbay CCA can also access support from their Sub-National Transport Body, Peninsula Transport, which has received Government funding to develop a regional Electric Vehicle Charging Infrastructure strategy. This EVCI strategy will provide a robust plan of charging needs in Devon and Torbay and can be used to underpin any public sector funding proposals including applications for the Local Electrical Vehicle Infrastructure ('LEVI') Capital Fund. It will also help local authorities in Devon and Torbay to develop their own strategies to scale up the rollout of public charge points in their areas. The constituent councils within Devon and Torbay have also received £8,025m in capital funding from Government's Local EV Infrastructure Fund and a further £991,000 revenue funding to increase their capability to plan and deliver public, on-street EV infrastructure. Through the LEVI Fund, Devon and Torbay CCA will be able to utilise the LEVI support body for further assistance and upskilling of EV officers.

Local Highway Networks

86. Unless otherwise agreed locally, all operational responsibility for highways will remain with the constituent councils. However, where practical we would expect the Devon and Torbay CCA to build on existing work towards streamlining contractual and delivery arrangements across the region. The Devon and Torbay CCA should consider how highways across the region are managed, which may include developing a single strategic asset management plan for local highways in the area, in partnership with constituent councils.

87. Devon and Torbay CCA will be able to enter into agreements with Government, other local authorities and National Highways, including to determine shared priorities for its strategic route network roads.

88. The Highway Authorities within the Devon and Torbay CCA will receive a proportion of the £2.8 billion funding to fix potholes in the South East, South West and East of England announced as part of Network North.

Buses

89. As the Local Transport Authority, the Devon and Torbay CCA will be responsible for:

- Bus Service Improvement Plans
- Enhanced Partnerships
- Subsidised bus services
- Concessionary fare schemes

And will, where practical, streamline engagement with bus operators and seek efficiencies in their contractual and delivery arrangements across the combined area.

90. The Devon and Torbay CCA will work with constituent councils to deliver against the existing Bus Service Improvement Plans (BSIP). Devon and Torbay CCA must work towards integrating the existing BSIPs in the area.
91. If Devon and Torbay CCA concludes that bus franchising is likely to deliver better outcomes, the Government will consider conferring franchising powers under the Transport Act 2000 to Devon and Torbay CCA where it demonstrates they have the capability and intention to deliver their chosen franchise model, and that franchising will deliver better services than their Enhanced Partnership without needlessly delaying benefits to passengers.

Active Travel

92. To ensure consistency in the quality and safety of schemes, Active Travel England (ATE) will provide support to ensure walking and cycling schemes are designed and delivered to high standards, including compliance with Local Transport Note 1/20 (LTN 1/20). The Devon and Torbay CCA team responsible for design and delivery of schemes will work with ATE to improve the design quality of all active travel schemes funded by Government and those that are locally funded. All cycling and walking schemes funded by Government must be approved by ATE as complying with LTN 1/20.

Net Zero and Climate Adaptation

93. As part of its Net Zero Strategy and Net Zero Growth Plan, the government recognises that devolved administrations and local government can play an essential role in meeting national net zero ambitions. Local leaders in the Devon and Torbay area and elsewhere are well placed to engage with all parts of their communities and to understand local policy, political, social, and economic nuances relevant to climate action. This is why the devolution framework grants places the opportunity to adopt innovative local proposals to deliver action on climate change and the UK's net zero targets. As well as net zero commitments made by the constituent councils, public sector partners are working with local businesses and communities to deliver the ambitious Devon Carbon Plan and Devon, Cornwall and Isles of Scilly Adaptation Plan.
94. From the £16m capital commitment from Government, funding will be made available over the next two years to support business to invest in green business transition activity. This funding will be subject to the development of a detailed business case, but will offer Devon and Torbay's business community an opportunity to both modernise and decarbonise activity at a faster rate, improving both efficiency and supporting the UK's journey towards net zero.
95. The Local Net Zero Forum, chaired by the Department for Energy Security and Net Zero is cross-Government and brings together national and local senior officials. Through representative organisation on the forum – The Local Government Association (LGA), Association for Public Service Excellence (APSE), Core Cities and the Association of Directors of Environment, Economy, Planning and Transport (ADEPT) – Devon and Torbay will get the opportunity to discuss local net zero policy and delivery issues in the round.

Energy system

96. The government recognises the need to increase Devon and Torbay's electricity network capacity to meet future electricity demand. Achieving net-zero and the associated growth opportunities requires investor confidence at the local level, as recognised in the Devon Carbon Plan. Government is committed to ensuring that devolved regional institutions such as combined authorities, including the Devon and Torbay CCA, have a meaningful role in planning our future energy system for net zero, alongside other local areas as appropriate.
97. The government is considering the role of local energy plans, including their role in supporting strategic network investment, working closely with Ofgem as part of its ongoing governance review into local energy institutions and its proposals on energy system planning.

Heat networks

98. The government has confirmed its intention to establish heat network zoning in England. Under the zoning proposals, Zoning Coordinators within local government will be able to designate areas as heat network zones where heat

networks are going to be the most cost-effective way to decarbonise heating and hot water within the zone. Local authorities will have powers to require certain buildings to connect to heat networks within the zones. This will enable the Devon and Torbay CCA to assume the role of heat network Zoning Coordinator for its locality and play a key role in the delivery of heat decarbonisation infrastructure. The government is committed to have heat network zoning in place by 2025.

99. The government will support the Devon and Torbay CCA alongside other local authorities across England to take forward heat network zoning, including collaboration with the private sector on developing heat networks within zones and to help capitalise on unique local opportunities to utilise all available low carbon heat sources, including geothermal energy.

Buildings

100. The government commits to explore the potential benefits of and design options for a place-based approach to delivering retrofit measures, as part of the government's commitment in the Net Zero Strategy to explore how we could simplify and consolidate funds which target net zero initiatives at the local level where this provides the best approach to tackling climate change.

101. This work will involve inviting the Devon and Torbay CCA to work with the government through the relevant representative organisations to consider if such an approach could accelerate the meeting of net zero goals and provide better value for money.

Green Jobs

102. Through the Green Jobs Delivery Group, the Government is working to ensure that workers, business and local areas, including Devon and Torbay, are supported through net zero transition. Devon and Torbay CCA now has the opportunity to deliver green skills interventions at a local level through having a greater role in delivering the Adult Education Budget and the UKSPF.

103. From the £16m capital commitment from Government, funding will be made available over the next two years to support the development of green skills capacity building within the Further and higher education sector. This funding will be subject to the development of a detailed business case, but will offer education partners and employers an opportunity to fast track the development of additional green skills capacity across the area, building upon the success of the Skills Development Fund and Skills Bootcamp Programmes within the Devon and Torbay area.

Net Zero Infrastructure

104. The UK Infrastructure Bank (The Bank) will increase infrastructure investment across the UK by partners with the private sector and local government to help tackle climate change and support regional and local economic growth. The Bank's advisory service, when launched, could offer advice and support to local actors,

including the Devon and Torbay CCA, to help deliver on their objectives, including driving investment into Net Zero Infrastructure and innovative local projects. It can also act as a convenor, bringing together local actors for collaborative projects, and where appropriate identifying where projects can be aggregated to achieve greater impacts.

105. Government will provide opportunities for Devon and Torbay to work with the South West Net Zero Hub to explore opportunities for relevant sources of funding for projects identified in their plans, noting that for fully commercial projects the Government would expect the private sector to identify project development capital in the first instance.

Nature Recovery

106. Government will work with Devon and Torbay to ensure that local environment policies, including the relevant Local Nature Recovery Strategy and existing and potential protected landscapes, support the delivery of England's new Environmental Improvement Plan. Government recognises the ambition of Devon and Torbay to pilot innovative climate mitigation and adaptation initiatives linked to nature recovery and will consider Devon and Torbay as a test-bed geography for future policies such as new carbon codes for soils and the restoration of marine habitats.
107. Government will ensure the new environment land management schemes are implemented in line with local needs and priorities, including those of Devon and Torbay which has identified the need for more coordinated specialist business support for the farming and wider rural community to foster rural business resilience; sustainable new market opportunities; and environmental gains.
108. Government welcomes Devon and Torbay CCA's ambitions to be a leader in adapting to climate risks and in making its area more climate resilient, including through contributing to the relevant Local Nature Recovery Strategy and Environment Land Management scheme. Defra looks forward to further understanding the proposals by Devon and Torbay CCA for an adaptation programme as they develop. Government would recommend that Devon and Torbay CCA engage with the Local Authority Climate Service pilot, which is currently being established by Government and the Met Office. This will enable Devon and Torbay CCA to access climate information for its area, and help it develop a climate report summarising key results for awareness raising.
109. Government will also seek to work with Devon and Torbay CCA and wider local partners around wider forthcoming opportunities and policy development linked to nature recovery, reinforcement of local environment management and agricultural development, and the development of relevant coastal habitat opportunities and challenges. As a predominantly rural and coastal area, Government recognises that there may be opportunities for further joint working around such matters,

building upon local good practice and programmes around farm resilience, aquaculture and renewable energy policy and practice.

Culture and Tourism

110. Devon and Torbay and a subset of DCMS Arm's Length Bodies ('ALBs'), supported by DCMS, will hold a series of exploratory conversations to explore the region's appetite and capacity for partnership working across (some or all of) culture, heritage, sport, communities and the visitor economy (as applicable). If there is agreement to undertake any partnership working, this would focus on the region's particular priorities and potential opportunities for the ALBs to help the region achieve these where they align with ALBs' own priorities for the region.
111. Insofar as appropriate this will lead to recommendations that the ALBs and/or place can act on if they wish to. This does not prejudice ALB decisions around national grant funding processes or their national priorities. ALBs will also seek to use any partnership to deliver their national priorities, which will remain paramount. The scale of each ALB's involvement in any partnership will be dependent on the specific context and degree of alignment identified between individual priorities.
112. These exploratory conversations will take place over a six month period that will start at a time agreed on by the region and relevant ALBs. DCMS will be involved in discussions as appropriate.
113. VisitEngland and Devon and Torbay will work with the accredited Local Visitor Economy Partnership for the region to help further develop the region's visitor economy. This collaborative work, across those areas set out in the Government's Tourism Recovery Plan, could include harnessing the region's potential to grow domestic and international visitor spend, and encouraging visits throughout the year rather than just during the traditional tourist season.

Digital

114. The Government is committed to supporting Devon and Torbay's digital connectivity ambitions, including through the Wireless Infrastructure Strategy, which was published in April 2023 and sets out a strategic framework for the development, deployment and adoption of 5G and future networks.
115. As set out in the National Cyber Strategy 2022, the Government is committed to strengthening the capability of local authorities such as Devon and Torbay CCA to buy and use connected places technology securely. In May 2021, the National Cyber Security Centre published the Connected Places Cyber Security Principles, a foundational step in supporting the cyber security of the UK's connected places. Since then, the Government has continued to develop its support of local authorities deploying and managing connected places technologies and in 2022 the Department for Science, Innovation and Technology (DSIT) published the Secure Connected Places Playbook. The Playbook was designed in collaboration with local authorities and helps them to get their cyber security foundations right whilst setting a strong cyber security culture. The Government hopes to continue to work with local authorities such as Devon and Torbay CCA to support the secure and sustainable adoption of connected places technologies. Bolstering the UK's Cyber Ecosystems remains a high priority for the Government.
116. The Government recognises that high quality digital connectivity is crucial for future economic growth and productivity in the region. The private sector will continue to lead on the rollout of broadband and mobile infrastructure, with DSIT supporting delivery in less commercially viable areas. The Government is committed to achieving nationwide coverage of gigabit capable broadband by 2030 and to ensuring that rural and coastal areas are not left behind including in Devon and Torbay. Procurements covering Devon and Torbay launched in 2023, and regular Project Gigabit programme updates will be provided demonstrating progress in delivering for communities across the area.

Innovation, Trade and Investment

117. The government is committed to supporting places to realise their entrepreneurial and innovation potential, underpinned by ambitious measures set out in the Levelling Up White Paper.
118. The Department for Business and Trade (DBT) will work closely with devolution deal areas, including Devon and Torbay, to make it easier for businesses to access the information, advice and support they need, drawing on DBT's global and sector offer.
119. The Department for Science, Innovation and Technology and UK Research and Innovation (UKRI) will work with Devon and Torbay to explore opportunities for closer long-term collaboration in strengthening their local research and innovation capacity. Devon and Torbay have identified the area's key priority is to explore opportunities to support regional research and innovation strengths in the environmental intelligence and clean marine sectors.

Sector Development

120. Devon and Torbay benefits from a range of significant sector opportunities with the potential to transform its local economy. Working in close collaboration with Government, the area's local authorities, businesses, universities and colleges, and wider public and private sector partners have been successful over the past decade in securing substantive new investment and creating a range of additional high value jobs.

121. The Government and partners within Devon and Torbay recognise the importance of sustaining this approach through new arrangements, with the transition from the Local Enterprise Partnership offering an opportunity to continue to work closely with the business community, universities and colleges, and wider partners around accelerating the area's ambitions for its most promising sector opportunities. As such, Government and the Devon and Torbay CCA will seek to maximise the impact of the area's core sectors through:

- Continuing to align activity around the area's High Growth Opportunities. This includes around the area's emerging offer within the Marine sector, building upon the potential of the area's concentration of marine manufacturing in Northern Devon, specialist innovation assets and the potential of the Plymouth and South Devon Freeport; and the photonics sector within Torbay and Southern Devon, with over 100 companies coming together to support wider manufacturing, defence and digital supply chains.
- Seeking to maximise opportunities linked to Floating Offshore Wind development in the Celtic Sea off the Northern Devon Coast, as well as the area's wider expertise in Environmental Intelligence and Environmental Technologies.
- Ensuring that opportunities within the area's Advanced Engineering and Manufacturing sector, notably around Smart Aviation and defence, are fully realised, with an emphasis on clean mobility, digital systems and AI integration, and new materials and fuels innovation.
- Working closely with the Department for Environment, Food and Rural Affairs around the agritech and fishing sectors, a vital foundation of the local economy, but also areas of growing expertise around regenerative farming, net zero land management and aquaculture.
- Exploring the potential of the small but nationally significant health and life sciences cluster with Northern Devon, including placing a greater focus upon its pharmaceutical manufacture and research capacity.

122. From the £16m capital commitment from Government, funding will be made available over the next two years to enable the development of crucial coastal and marine energy infrastructure to allow for the transition to low carbon shipping. This will seek to complement existing investments planned through the Levelling Up

Funding in Northern Devon and Torbay, seeking to support innovation and investment across a crucial growth sector for the area.

Public Service Reform

123. The government supports the Devon and Torbay area in its ambition for public service reform, including a focus on creating safe, healthy, resilient communities. The government commits to working with the region and partners to explore initiatives to improve delivery of public services, such as how best to support residents with multiple complex needs. Where appropriate, and as part of its levelling up agenda, the government will also consider devolving further powers to the Devon and Torbay CCA to support public service reform, in relation to the statutory duties held by its constituent councils.
124. Good quality data is essential for understanding local need and the place-specific issues affecting people in an area. As set out in the Levelling Up White Paper and the Government Statistical Service's Subnational Data Strategy, the government is working to improve the dissemination of subnational statistics to empower local decision makers, including in Devon and Torbay to use data-led evidence to respond to local priorities.
125. The Devon and Torbay CCA will work with the government to understand the existing barriers to data sharing and better use of data in their area, and explore where improvements to the quality of, or access to, data could support them in achieving Devon and Torbay's local ambitions. As part of this, the Spatial Data Unit (SDU) will work with the CCA to help support data capability, including in data science, and will engage with the CCA to further understand its needs and priorities.
126. The Government, Devon and Torbay recognise that certain proposals in this deal will have an impact beyond Devon and Torbay. Devon and Torbay will work with the relevant public bodies and other partners in Southwest England to support the effective implementation of these proposals and to promote opportunities for regional co-operation and collaboration where appropriate.

Resilience and Public Safety

127. In line with the commitment set out in paragraph 18, the Devon and Torbay CCA, in partnership with Government, will ensure that the Devon and Cornwall Police and Crime Commissioner (PCC) is invited to attend and participate in CCA meetings as an associate, or non-constituent member.
128. The Devon and Torbay CCA will work with Devon and Somerset Fire and Rescue Authority (FRA) to agree an appropriate arrangement to ensure close collaboration and productive joint working on public safety between the CCA and FRA.
129. The UK Government will work to significantly strengthen Local Resilience Forums by 2030, as described in the UK Government Resilience Framework. This will include considering a clear role for Devon and Torbay in local resilience and civil contingency planning, preparation, and delivery, in support of whole society resilience.
130. This is subject to the conclusion and full consideration of the Stronger Local Resilience Forums pilot programme in 2025/26, and Devon and Torbay having a strong working relationship with the Devon, Cornwall and Isles of Scilly Local Resilience Forum.

Devon and Torbay's Commitments Underpinning the Deal

131. The constituent councils will work with the Government to develop a full implementation plan, covering each policy agreed in this deal, to be completed ahead of implementation. This plan must be approved by the Government prior to delivery. Any issues of concern with the subsequent delivery of this deal will be escalated to ministers and leaders to resolve, in keeping with the letter and spirit of devolution.
132. As part of the implementation of the deal, the Devon and Torbay CCA and Government will agree a process to manage local financial risk relating to the deal provisions.
133. Prior to the implementation of the deal, Government will work with the Devon and Torbay CCA to give the public and stakeholders – including Parliament – a clear understanding of: the powers and funding that are being devolved to the CCA, where accountability sits as a result of this deal; and how decisions are made.
134. The Devon and Torbay CCA and its members will continue to adhere to their public sector equality duties, for both existing and newly devolved responsibilities.